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Mexico

Livestock and Products Annual

2010 Livestock and Products Annual

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Report Highlights:
Mexican red meat consumption is forecast to increase in 2011 as the economy and consumer purchasing power recover. A lower cattle export level will result in higher domestic meat supplies and stable domestic beef prices. U.S beef exports to Mexico will continue increasing, principally toward the end of 2010, supported by the elimination of duties on imported U.S. beef. Removal of feet from carcasses and retaliatory duties on bone-in hams are two new challenges for U.S exporters; however, the United States will continue to be the principal source of imports.

Executive Summary:

Live Cattle and Beef

Mexican cattle inventories for 2011 are expected to decline. Higher slaughter rates and exports will not be offset by weak growth in calf production. Growth in slaughter will be supported by higher demand due to the economic recovery. Exports of cattle for 2011 will continue to recover; however, exports will only represent 33 percent of the 2008 level. In 2011, beef production and consumption will increase, supported by stronger consumer purchases, while beef imports are expected to decline approximately 2 percent compared to 2010. Exports of live cattle to the United States will be hampered by security constraints on veterinary pre-inspection of live animals on the Mexican side of the border.

Live Hogs and Pork

In 2011 total swine production is expected to increase slightly. The increase will occur due to higher hog prices and stronger pork demand. Ending inventories are expected to increase for both 2011 and 2010. Mexico's imports of hogs are forecast to increase in 2011, reaching 12,000 head. Pork production for 2011 is forecast to recover (2 percent) after no increase for 2010. Growth in pork consumption is forecast to increase 1.3 percent in 2011 after a slight decrease (-0.2 percent) in 2010 due to lower than expected demand recovery. Mexico's pork exports are forecast to grow 6.3 percent in 2011 compared to 2010.

Data included in this report are not official USDA data. Official USDA data are available at http://www.fas.usda.gov/psdonlineonline

Commodities:

Animal Numbers, Cattle
Meat, Beef and Veal

Production:

Cattle production for 2011 is forecast to increase 1 percent, the same trend as in 2010, in response to increased demand for feeding and exporting cattle due to a stronger consumer purchasing power, recovery of beef consumption, and better export prices. Cattle production is expected to increase 1.9 percent in 2010 compared to 2009 levels.

The 2009 cattle production estimate has been revised up from the previous report and is now approximately 1.5 percent higher than the 2008 level. This change reflects official and private sector data.

Total cattle inventories for 2011 are expected to decline 2.2 percent as a result of lower production and import levels that failed to offset slaughter and export levels. Total inventories for 2010 and 2009 have been revised up to reflect the higher-than-expected calf production.

Beef production for 2011 is forecast to increase 2.5 percent; it will be supported by recovery of the economy, and thus disposable consumer income; relatively stable domestic consumer prices, and increased exports. Beef production for 2010 and 2009 was revised to match official data.

For 2011, slaughter is forecast to increase 2.2 percent, with slaughter for 2010 increasing by 2 percent. During 2011, a better economy and the Government of Mexico's (GOM) support for increased slaughter in Federally Inspected Facilities (TIF) will stimulate the industry. Initiatives are aimed at increasing slaughter and packing at TIF facilities. Furthermore, TIF plants will begin producing more value-added products. For example, one TIF plant will begin producing consumer packages of viscera, which will be marketed both domestically and internationally.

In addition, TIF plants will increase the slaughter of animals which are sourced from suppliers with "trusted supplier" certificates. The "trusted supplier" program guarantees that cattlemen feed animals without using prohibited feed supplements, such as Clenbuterol.

Consumption:

Consumption of red meat is expected to increase in 2011, supported by the recovery of disposable consumer income; however, the level will only be slightly higher than the 2008 level.

Beef consumption is expected to grow in 2011 by 1.4 percent, following the trend expected for 2010 of 1.8 percent, supported by better consumer purchasing power, principally among middle- and lower-income consumers, whose consumption is expected to increase toward the end of 2010.

However, consumption of meat is tied to retail price variability; thus, an increase in beef prices, particularly due to higher production costs resulting from higher prices for imported grains, domestic taxes, and availability of substitutes, could put downward pressure on beef consumption.

The 2010 beef consumption estimate was revised down because of higher exports and slower than expected recovery of beef consumption.

Trade:

Imports

Cattle imports are forecast to increase 20 percent in 2011 to 30,000 head, following a drop since 2009 in which only 20,000 head were imported. About 25,000 head are expected to be imported in 2010. Cattle import figures for 2011 are estimated to be only 33 percent of the 2008 import level.

Until 2008, Nicaragua, Australia, and New Zealand were the main suppliers of cattle to Mexico, but since 2009 the United States has become the largest supplier with more than 95 percent of total imports, followed by Canada. This growth trend will continue in 2011, but at a slower rate than the 2008 level.

In beef, the presence of Canada in the Mexican market is increasing. From January to March 2010, U.S beef exports to Mexico declined 6.2 percent compared to the same period in 2009. In contrast, Canadian beef exports to Mexico increased 39 percent, largely due to heavy promotional activities by the Canadian government and exporters.

Mexican imports for 2011 are forecast to decline 1.5 percent, due in part to higher beef production obtained from feeder calves not exported to the United States, stable domestic prices, and weak recovery of domestic consumption.

Beef imports for 2010 were revised higher, principally due to elimination of import duties imposed on U.S beef cuts as the result of an antidumping investigation conducted in 2000.

Certain beef products remain prohibited from entering Mexico from the United States due to the discovery of bovine spongiform encephalitis (BSE) in a U.S. cow in December 2003. The list was published in GAIN Report MX 5062 BSE Update (Tenth Edition) on July 25, 2005.

Prohibited products:

Live cattle for slaughter

Boneless and bone-in meat from cattle 30 months of age or older

Bovine offal and viscera other than those currently authorized [i]

Products derived from non-protein-free tallow

Gelatin and collagen prepared from bone

Ruminant meal

Ground beef

Exports

Mexican cattle exports are forecast to decrease 5 percent in 2011, but increase 2 percent in 2010. The level in 2011 (1.05 million head) will be lower than 2006 (1.2 million head). The decrease in exports of feeder calves to the United States is reportedly due to reduced prices paid to Mexican exporters and violence at the border, which has constrained USDA inspection personnel's ability to conduct import inspections (see GAIN Report MX 0042 Trade Rerouted Due to Port of Entry Inspection Suspension).

For 2011, Mexican beef exports are forecast to increase 20 percent due to expanded market access into Russia, China and Singapore. With Russia, an agreement was completed and Mexican beef exports have initiated. The negotiations with China and Singapore are close to reaching an agreement. In addition, world-wide economic recovery will stimulate beef consumption creating better opportunities for Mexican beef exports.

The Mexican government continues to strengthen its domestic inspection service and is advancing towards international equivalence for sanitary procedures, as differences in such procedures between Mexico and importing countries have in the past precipitated temporary halts of exports. In 2010, an increase of approximately 18 percent is expected for Mexican beef exports due to competitive pricing.

Mexican beef exports have been increasing with sales now flowing to 17 countries. The largest increase in exports is to the Russian market. Mexican exports are supplying not only food for human consumption, but also raw materials for use within the pharmaceutical and the pet-food sectors.

In addition, slaughter for export in TIF establishments is rising. Not only is the number of head slaughtered increasing, but also the number of TIF facilities for slaughter and processing. During this year, a new TIF plant was inaugurated in the state of Durango just for slaughter and packing meat for export to Korea. This establishment was built with capital investment from both Mexicans and Koreans.

According to industry contacts, beef exports are expected to increase enormously, even though market entry for small companies is difficult. At least one large Mexican exporter is registering an annual 2-digit increase in export sales per year.

Mexican Beef, a Mexican beef exporters' association, promotes its members' meat in foreign markets. It uses a scheme similar to that of the U.S. Meat Export Federation (USMEF); thus, the association has GOM support and membership fees (which have a fixed and a variable component, the latter based on the volume of exported meat). For 2010, Mexican Beef received 10 million pesos (US $787,401) [1] from the GOM for promoting Mexican beef exports.

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[i] The following products are exempt from the BSE ban.

Boneless beef from cattle under 30 months of age
Marinated boneless beef from cattle under 30 months of age (now includes Australia as country of origin)
Beef based preparations, beef/pork based preparations, beef/sheep based preparations and beef/pork/poultry based preparations
Veal de-boned or bone-in
Hearts, kidneys, tongue and lips from cattle under 30 months of age
Diaphragm and trimmings from cattle under 30 months of age
Tripe from cattle under 30 months of age
Meat, carcasses, viscera, and heads from sheep under 12 months of age
Meat, carcasses, and viscera from goats under 12 months of age
Liver
Milk
Dairy products
Semen
Embryos
Protein-free tallow not fit for animal consumption
Protein-free tallow for industrial use
Dicalcium phosphate (DCP)
Skins and hides
Gelatin and collagen obtained from hides and skins
Pet Food (see MX4040 for more details)
Sausage made from beef and pork with or without cheese
*Sausage made from beef (embutidos)
*Bovine breeding bulls

*Bovine blood and parts thereof for human consumption
*Grease (grasa)
[1] $1 dollar = 12.7 pesos

Production, Supply and Demand Data Statistics:

Table 1. Mexico: PS&D Animal Numbers, Cattle

Animal Numbers, Cattle Mexico (1000 heads)	Revised 2009			Estimated 2010			Forecast 2011		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Market Year Begin:	Jan 2009			Jan 2010			Jan 2011		
Total Cattle Beg. Stks	22,666	22,666	22,666	22,092	22,092	22,172			21,662
Dairy Cows Beg. Stocks	3,157	3,157	3,157	3,256	3,256	3,150			3,140
Beef Cows Beg. Stocks	6,909	6,909	6,909	7,000	7,000	6,950			7,025
Production (Calf Crop)	6,775	6,775	6,855	6,797	6,797	6,985			7,065
Intra-EU Imports	0	0	0	0	0	0			0
Other Imports	20	18	20	25	25	25			30
Total Imports	20	18	20	25	25	25			30
Total Supply	29,461	29,459	29,541	28,914	28,914	29,182			28,757
Intra EU Exports	0	0	0	0	0	0			0
Other Exports	980	970	980	1,000	1,000	1,050			1,000
Total Exports	980	970	980	1,000	1,000	1,050			1,000
Cow Slaughter	1,519	1,519	1,519	1,550	1,550	1,535			1,545
Calf Slaughter	325	325	325	325	325	300			280
Other Slaughter	4,053	4,053	4,053	4,145	4,145	4,185			4,325
Total Slaughter	5,897	5,897	5,897	6,020	6,020	6,020			6,150
Loss	492	500	492	450	450	450			430
Ending Inventories	22,092	22,092	22,172	21,444	21,444	21,662			21,177
Total Distribution	29,461	29,459	29,541	28,914	28,914	29,182			28,757

Not official USDA data

Table 2. Mexico: PS&D Meat, Beef and Veal

Meat, Beef and Veal Mexico (1000 head, 1000 MT CWE)	Revised 2009			Estimated 2010			Forecast 2011		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Market Year Begin:	Jan 2009			Jan 2010			Jan 2011		
Slaughter (Reference)	5,897	5,897	5,897	6,020	6,020	6,020			6,150
Beginning Stocks	0	0	0	0	0	0			0

Production	1,700	1,700	1,700	1,735	1,735	1,731			1,775
Intra-EU Imports	0	0	0	0	0	0			0
Other Imports	322	322	322	340	330	335			330
Total Imports	322	322	322	340	330	335			330
Total Supply	2,022	2,022	2,022	2,075	2,065	2,066			2,105
Intra EU Exports	0	0	0	0	0	0			0
Other Exports	51	50	51	55	55	60			72
Total Exports	51	50	51	55	55	60			72
Human Dom. Consumption	1,961	1,962	1,961	2,010	2,000	1,996			2,023
Other Use, Losses	10	10	10	10	10	10			10
Total Dom. Consumption	1,971	1,972	1,971	2,020	2,010	2,006			2,033
Ending Stocks	0	0		0	0	0			0
Total Distribution	2,022	2,022	2,022	2,075	2,065	2,066			2,105

Not official USDA data

Commodities:

Animal Numbers, Swine

Meat, Swine

Production:

Swine production for 2011 is forecast to increase 1 percent, higher than 2010. Higher swine prices, stronger consumer purchasing power, and a recovery of consumer confidence after the H1N1 influenza outbreak will stimulate production.

Furthermore, the Mexican swine sector could benefit from the GOM's efforts to obtain market access in China. If obtained, the Mexican swine sector will need to increase production, continue with integration, and reduce production costs and losses. Although only the most efficient firms will export, medium-sized farmers are aware that there could be more domestic opportunities to sell pork, but they also must improve their competitiveness.

Due to the past economic crisis and H1N1 outbreak, both of which negatively affected the pork sector, sow beginning inventories are currently limited and data previously reported for 2010 were revised down slightly; thus, the slaughter level for 2011 will be comparable to 2010.

Total beginning inventories are forecast to increase 4.4 percent for 2011, mainly due to a lower-than-expected slaughter level for 2010. However, slaughter is forecast to increase one percent in 2011 as a result of pork demand and consumption recovery after the H1N1 outbreak.

Pork production for 2011 is expected to increase 2 percent over 2010. Furthermore, industry sources believe this 2011 production will be slightly higher than 2009's. For 2010, a year in which a decrease of approximately 1 percent (1,161 TMT) is now expected according to official data, the decrease is minimal thanks to a successful GOM and industry promotional campaign and lower pork prices.

Consumption:

Pork consumption is forecast to increase more than 1 percent in 2011. However, the increase is tied to price and will depend on retailers' pricing strategies. Some retailers are selling pork at higher prices, claiming they are merely passing on higher domestic prices as well as the cost of retaliatory duties on imported U.S. pork (see GAIN Report MX 0054 Mexico Increases Trucking Retaliation Against Ag Products).

Even though the economy and gross family income have recovered somewhat, pork consumption will increase at a rate lower than that of beef, mostly due to higher prices and a substitution effect by consumers who see poultry as a cheaper and "healthier" protein. In addition, growth in pork per-capita consumption is constrained due to consumers' perception of pork as an unhealthy meat product.

Mexico's meat processors will continue to use imported U.S. pork variety meats as well as bone-in cuts because domestic production is not sufficient to meet their demands. Despite the retaliatory duties imposed on U.S bone-in pork, an analysis conducted by some meat processors has shown that the duties will only slightly affect the cost of production, and they do not expect a large amount of substitution for U.S boneless pork cuts.

Trade:

In 2011, Mexico is forecast to increase imports of hogs by 20 percent; however it will only reach 15 percent of the 2008 level. For 2010, an increase is expected of 43 percent, supported by the imports of purebred breeding animals for repopulating the Mexican herd. Hog exports will remain at zero.

Pork exports are expected to increase 6.5 percent in 2011, but if Mexico signs a veterinary health protocol with China, the percentage could be considerably higher.

In 2010 pork exports are expected to recover 14.3 percent following lifting of numerous foreign bans due to H1N1 outbreak; exports will be supported by value-added pork exports to Japan. However the level will remain lower than in 2008.

Despite the retaliatory duties imposed on U.S bone-in pork cuts, imports are expected to continue; however, it is possible that more bone-in pork could be sourced from Canada.
In addition, according to NOM-030, pork carcasses with feet will no longer be permitted to enter Mexico. This is a new interpretation of NOM-030.

Production, Supply and Demand Data Statistics:

Table 3. Mexico: PS&D Animal Numbers, Swine

Animal Numbers, Swine Mexico (1000 Heads)	Revised 2009			Estimated 2010			Forecast 2011		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Market Year Begin:	Jan 2009			Jan 2010			Jan 2011		
Total Beginning Stocks	9,912	10,222	9,912	10,459	11,070	10,485			10,942
Sow Beginning Stocks	1,067	1,067	1,067	1,070	1,070	1,068			1,077
Production (Pig Crop)	15,966	15,966	15,966	16,007	16,007	16,007			16,168
Intra-EU Imports	0	0	0	0	0	0			0
Other Imports	7	7	7	10	10	10			12

Total Imports	7	7	7	10	10	10			12
Total Supply	25,885	26,195	25,885	26,476	27,087	26,502			27,122
Intra EU Exports	0	0	0	0	0	0			0
Other Exports	0	0	0	0	0	0			0
Total Exports	0	0	0	0	0	0			0
Sow Slaughter	20	20	20	15	15	15			13
Other Slaughter	14,580	14,580	14,580	14,790	14,790	14,765			14,879
Total Slaughter	14,600	14,600	14,600	14,805	14,805	14,780			14,892
Loss	826	525	800	822	520	780			750
Ending Inventories	10,459	11,070	10,485	10,849	11,762	10,942			11,480
Total Distribution	25,885	26,195	25,885	26,476	27,087	26,502			27,122

Not official USDA data

Table 4. Mexico: PS&D Meat, Swine meat

Meat, Swine Mexico (1000 head, 1000 MT CWE)	Revised 2009			Estimated 2010			Forecast 2011		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Market Year Begin:	Jan 2009			Jan 2010			Jan 2011		
Slaughter (Reference)	14,600	14,600	14,600	14,805	14,805	14,780			14,892
Beginning Stocks	0	0	0	0	0	0			0
Production	1,162	1,162	1,162	1,166	1,166	1,161			1,184
Intra-EU Imports	0	0	0	0	0	0			0
Other Imports	678	650	678	700	675	685			690
Total Imports	678	650	678	700	675	685			690
Total Supply	1,840	1,812	1,840	1,866	1,841	1,846			1,874
Intra EU Exports	0	0	0	0	0	0			0
Other Exports	70	75	70	80	85	80			85
Total Exports	70	75	70	80	85	80			85
Human Dom. Consumption	1,770	1,737	1,770	1,786	1,756	1,766			1,789
Other Use, Losses	0	0	0	0	0	0			0
Total Dom. Consumption	1,770	1,737	1,770	1,786	1,756	1,766			1,789
Ending Stocks	0	0	0	0	0	0			0
Total Distribution	1,840	1,812	1,840	1,866	1,841	1,846			1,874

Not official USDA data

Commodities:

Animal Numbers, Cattle

Animal Numbers, Swine

Meat, Beef and Veal

Meat, Swine

Policy:

Beef and Pork sectors

Beef import duties eliminated

As of August 11, 2010, Mexico canceled the compensatory duties imposed on U.S beef cuts as a result of an antidumping investigation in 2000. Even though the Mexican Government announced that these duties would terminate on April 29, 2010, the duties were not effectively canceled until August 11, 2010, according to the official notice published in the *Diario Oficial* (DOF) (Federal Register). Thus, duties paid between April, 29 and August 11, 2010 will not be refunded.

Retaliatory duties on U.S pork exports

On August 18, 2010, the Secretariat of Economy published in the DOF a list of additional products facing retaliatory duties, which included swine products. This is due to the United States' failure to comply with the trucking clause of the North American Free Trade Agreement (NAFTA).

The following swine products were added to the product list:

Section	Description	Import Tariff
0203.12.01	Hams (hocks), shoulders and cuts thereof, with bone. Chilled	5%
0203.22.01	Hams (hocks), shoulders and cuts thereof, with bone. Frozen	5%
1602.49.01	Cooked pork rind in pieces (pellets).	20%

According to industry sources, these duties will increase production costs for value-added products. Imports of U.S bone-in hams will continue because bone-in ham prices will not be as high as imported boneless pork legs. In addition, the duties could also slightly affect the Mexican rendering industry, because the Mexican rendering industry sources products from TIF establishments which debone imported bone-in hams.

Brazil Free Trade Agreement

The Mexican and Brazilian presidents have stated their intention to sign a free trade agreement. However, the Mexican livestock sector opposes a free trade agreement (FTA) between Mexico and Brazil that would include livestock products. The Mexican livestock sector's leaders believe they will be unable to compete against Brazil due to dependence on imported feed grains and shortages of commercial credit in Mexico.

NOM-051

The Secretariat of Economy published on April 5, 2010, a new version of Mexican regulation NOM-051-SCFI/SSA1-2010, "General labeling and sanitary specifications for pre-packaged foods and non-alcoholic beverages". (Spanish: *Norma Oficial Mexicana NOM-051-SCFI-1994 Especificaciones generales de etiquetado para alimentos y bebidas no alcohólicas preenvasados*) or NOM-051.

The new NOM-051 includes new requirements for labeling pre-packaged foods and non-alcoholic beverages. All pre-packaged food products and non-alcoholic beverages for sell directly to consumers are required to comply with NOM-051(including imported pork and beef meat). Thus, it is important that all U.S companies exporting to Mexico be aware of these changes and make appropriate modifications to the labels of its products. The new regulation is effective on January 1, 2011.

The most important changes to NOM-051 can be found in GAIN Report MX0505
Mexico Revises Food Labeling Regulations.

Trusted Importer Program and inspection of combos

The Secretariat of Agriculture, Livestock, Rural Development, Fishery and Food (SAGARPA) continues developing a plan of modernizing import inspection procedures. As part of this plan, the trusted importer program (UCON) has been implemented. Via this program, import inspection will occur at the TIF establishment where the imported meat is to be processed. According to the National Service of Health, Food Safety, and Food Quality (SENASICA), the UCON program may reduce import inspections at the border by 48 percent, since that is the volume of meat imported by TIF facilities (additional information about UCON can be found in GAIN Report MX0506 Mexico Announces Reliable Importer Program for Meat and Poultry).

The next step of the plan involves procedures for import inspections for meat shipped in combo bins. A combo bin is a bulk-palletized, octagonal cardboard container used to pack meat and meat products for shipping at a low cost. SENASICA officially advised the border inspection points that the combo import inspection procedures was postponed indefinitely pending publication in the DOF (Federal Register). This publication will contain a new sampling procedure for import inspections, which SENASICA is currently drafting, and may implement in 2011.

It is possible that these new procedures may be similar to the Canadian or U.S import inspections for combo bins. SENASICA has stated that the plan is part of an effort to harmonize import procedures with those of its NAFTA partners, and it will not seek to reduce the volume of meat trade in combo bins.

GOM reviewing regulations

As part of a transparent national plan, SENASICA is examining every interpretation of its regulations. For example, SENASICA has changed its interpretation of NOM-030-ZOO-1995 with respect to imported hog carcasses with feet. As of September 2010, SENASICA has informed trading partners that hog carcasses will only gain entry into Mexico when the feet have been removed.

Livestock Forward Contract Purchases

The Mexican Government (GOM) is promoting forward contracting between cow-calf operators and feeders, and is developing draft guidelines to be used with all forward contracts. This program will be coordinated by SAGARPA's paying agency, Support and Services for Agricultural Trading (ASERCA), and the National Confederation of Cattlemen Organizations (CNOG). The purpose of this program is to assist cow-calf operators and feeders with a tool to establish a forward price for calves.

Guidelines for the sale and distribution of food and drink at primary schools

On June 10, 2010, the Health Secretariat (SALUD) and Educational Secretariat (SEP) sent to the Federal Council for Regulatory Reform (COFEMER) draft proposed guidelines for the sale and distribution of food and drink at primary schools. The objective of the guidelines is to regulate the preparation, distribution and sale of healthy foods and drinks in primary schools and is aimed at reducing obesity and chronic diseases.

These guidelines sparked controversy within the food industry, including among meat and dairy processors. As of July 22, 2010, COFEMER had received 860 comments on the draft from industry sectors, government entities and the public. Some comments are against and others are supportive of the proposed guidelines. COFEMER published on July 22, 2010, its preliminary resolution and suggested SALUD and SEP consider comments submitted to COFEMER regarding these proposed guidelines.

The Mexican Meat Council (COMECARNE) and the Coordinator of the Industrial Council (CCE) are negotiating changes with representatives of the Presidency and the Secretariat of Economy (SE). COMECARNE believes working with these government offices will result in more success than directly negotiating changes with SALUD and SEP. The proposed guidelines, if implemented as proposed, could exert a profound economic impact on the meat sector.

COMECARNE's members import U.S meat raw materials to produce sausages, hams and other ready-to-eat products, which are sold in schools or used to prepare sandwiches and other products eaten by children at schools. The meat industry has sought changes to the proposed guidelines to ensure meat products are not demonized, thereby resulting in a loss of consumer confidence in processed meat products. The lack of specifics in the guidelines has created uncertainty for the meat industry. For this reason, COMECARNE has created a working group of technical experts to develop a counter-proposal to be presented to SALUD and SEP.

The guidelines were to be implemented at the beginning of the current school year. However, implementation has been postponed until January 2011.

Movement of Animal certificates

As of June 25, 2010, SENASICA began issuing electronic certificates for the movement of animals within Mexico. The electronic certificate replaces the printed certificate which certifies an animal may move between areas within Mexico which have different disease status under Mexican regulations.

Marketing:

Red meat, including pork and beef, continues to be purchased by consumers in traditional butcher shops. However, since more and more women are entering the workforce, consumers were increasing purchases of value-added products before the economic crisis, especially cuts and prepared dishes at supermarkets. For 2010, as the economy grows again, it is expected consumers will increase demand for value-added products.

The U.S. Meat Export Federation (USMEF), a non-profit, industry-sponsored trade organization dedicated to increasing exports of U.S. red meat and meat products in all foreign markets, is active in Mexico. USMEF's Mexico office has promoted the increase of meat consumption in various large retailers and food service exhibitions. For more information regarding USMEF Mexican activities contact USMEF at:

U.S. Meat Export Federation (USMEF)
Jaime Balmes Number 8
Suite 602C
Mexico City, D.F. 11510

Phone: (5255) 5281-6100
Fax: (5255) 5281-6013
E-mail: mexico@usmef.org
Website: http://www.usmef.org.mx

In addition, U.S exporters may contact the Agricultural Trade Office (ATO) in Mexico City, which will participate in the following trade shows to promote U.S exports: ANTAD (March 2011), Alimentaria (May-Jun 2011), Expohotel, and ABASTUR. For further information direct your questions to:

U.S. Agricultural Trade Office (ATO)
Liverpool # 31
Mexico City, D.F. 06600
Phone: (5255) 5140-2614 or 5140-2671
Fax: (5255) 5535-8557
Garth Thorburn, Director
E-mail: atomexico@fas.usda.gov
Website: http://www.mexico-usda.com/

Specifically for the meat industry, the biannual Expo Carnes show offers a good opportunity for U.S meat exporters to showcase their products. For more information regarding the 2011 show, contact show promoters at:

EXPO CARNES 2011
Meat Industry Trade show and International meeting
Monterrey - Mexico - CINTERMEX
February 2- 4, 2011
For information contact:
Asociacion Promotora de Exposiciones A.C
Phone: (5281) 8369-6660, 64 and 65
info@expocarnes.com
lsierra@apex.org.mx

For additional information regarding the Mexican meat sector, contact one of the following domestic Mexican organizations. **NOTE:** This list is for the readers' convenience, USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with the information received from these organizations.

Confederación Nacional de Organizaciones Ganaderas (CNOG)
Mariano Escobedo no. 714, Col. Anzures. Mexico, D.F. 11590
Phone: (5255) 5254-3245; Fax: (5255) 5254-2574
Oswaldo Chazaro, President

Consejo Nacional de Porcicultores (CMP)
Juan de la Barrera no. 38, Col. Condesa. Mexico, D.F. 06140

Phone: (5255) 5212-1290, Fax: (5255) 5211-1379
Alejandro Ramírez, General Director

Asociación de Engordadores de Ganado Bovino (AMEG)
Av. Xola 914, Col. Narvarte. Mexico, D.F. 03020
Phone: (5255) 5639-3076, Fax: (5255) 5639-3075
Alvaro Ley, President

Consejo Mexicano de la Carne (COMECARNE)
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Production, Supply and Demand Data Statistics:
Table 5. Mexico: Annual Cattle Trade 2008-2009 and January-May 2009-2010, In Thousand Head

Exports to:	2008	2009	Jan-May 2009	Jan-May 2010	Import from:	2008	2009	Jan-May 2009	Jan-May 2010
United States	737,373	979,734	403,624	509,773	United States	30,585	18,507	4,206	11,559
Total of others	214	162	56	14	Total of others	59,619	1,439	537	812
Belize	71	72	36	14	Nicaragua	31,201	0	0	0
Nicaragua	0	0	0	0	New Zealand	11,151	0	0	0
Micronesia	143	70	0	0	Australia	13,560	0	0	0
Peru	0	0	0	0	Canada	3,707	1,439	537	812
Honduras	0	20	20	0	Costa Rica	0	0	0	0
Others not listed	75	254	37	128	Others not listed	0	0	0	0
Total	**737,662**	**980,150**	**403,717**	**509,915**	**Total**	**90,204**	**19,946**	**4,743**	**12,371**

Table 6. Mexico: Annual Beef and Veal Trade 2008-2009 and January-May 2009-2010, in Metric Tons

Exports to:	2008	2009	Jan-May 2009	Jan-May 2010	Import from:	2008	2009	Jan-May 2009	Jan-May 2010
United States	15,002	23,673	9,528	12,926	United States	246,006	184,462	72,091	65,692
Total of other	14,780	12,764	5,011	5,774	Total of other	42,087	42,065	15,322	20,401
Japan	9,964	10,375	3,963	4,656	Canada	38,221	37,545	13,010	19,017
Korea, South	3,222	703	294	573	Chile	697	475	289	21
Puerto Rico (U.S.)	840	1,481	549	545	New Zealand	1,061	1,406	709	420
Costa Rica	754	205	205	0	Australia	1,048	1,710	697	907
Dominican Republic	0	0	0	0	Uruguay	1,060	929	617	36
Others not listed	21	120	38	99	Others not listed	3,354	3,543	1,165	911
Total	**29,803**	**36,557**	**14,577**	**18.799**	**Total**	**291,447**	**230,070**	**88,578**	**87.004**
Including HS Codes 0201, 0202, 021020 & 160250									

Table 7. Mexico: Annual Swine Trade, 2008-2009, and January-May 2009-2010, in Thousand Head

Exports to:	2008	2009	Jan-May 2009	Jan-May 2010	Import from:	2008	2009	Jan-May 2009	Jan-May 2010
United States	0	0	0	0	United States	74,887	2,595	1,569	1,898
Total of others	0	0	0	0	Total of others	4,642	4,248	963	1,930
	0	0	0	0	Canada	4,642	4,248	963	1,930
	0	0	0	0	French Guiana	0	0	0	0
	0	0	0	0	Guyana	0	0	0	0
Others not listed	0	0	0	0	Others not listed	0	0	0	0
Total	**0**	**0**	**0**	**0**	**Total**	**79,529**	**6,843**	**2,532**	**3,828**

Table 8. Mexico: Annual Pork Trade, 2008-2009, and January-May 2009-2010, in Metric Tons

Exports to:	2008	2009	Jan-May 2009	Jan-May 2010	Import from:	2008	2009	Jan-May 2009	Jan-May 2010
United States	5,781	5,848	2,380	2,619	United States	382,141	484,006	193,093	196,424
Total of others	63,469	47,555	20,632	21,660	Total of others	28,712	36,696	13,574	12,023
Japan	61,881	41,806	19,685	18,328	Canada	26,493	35,542	12,753	11,783
Korea, South	1,206	5,692	890	3,332	Chile	2,204	1,154	821	240
Aruba	0	0	0	0	New Zealand	15	0	0	0
Russia	0	0	0	0					
Korea, North	382	57	57	0					
Others not listed	527	530	120	353	Others not listed	622	488	174	238
Total	**69,777**	**53,933**	**23,132**	**24,632**	**Total**	**411,475**	**521,190**	**206,841**	**208,685**

Including HS Codes 020311, 020312, 020319, 020321, 020322, 020329, 021011, 021012, 021019, 160241, 160242 & 160249

Source: Global Trade Information Services, Inc. "World Trade Atlas" Mexico Edition
Figures for meat are in product weight equivalent (PWE)
Due to different sources quantities vary slightly from those in PSD tables.

Table 9. Mexico: Grass-Fed Live Steer Average Monthly Wholesale Prices in Mexico City 2008-2010, (US$/Lb)

Month	2008	2009	2010	% change 09 to 10
January	0.957	0.879	0.84	-4.4%
February	0.992	0.726	0.87	19.8%
March	0.996	0.699	0.90	28.8%
April	1.020	0.778	0.94	20.8%
May	1.027	0.849	0.90	6.0%
June	1.087	0.871	0.91	4.5%
July	1.114	0.895	0.91	1.7%
August	1.034	0.944	0.90	-4.7%
September	1.071	0.918	-	-
October	0.904	0.910	-	-
November	0.890	0.827	-	-
December	0.893	0.829	-	-

Source: National Market Information Service (SNIIM)
-: Not available

Table 10. Mexico: Beef Carcass Average Monthly Wholesale Prices in Mexico City, 2008-2010, (US$/Lb)

Month	2008	2009	2010	% Change 09 to 10
January	1.38	1.24	1.29	4.0%
February	1.39	1.15	1.28	11.3%
March	1.39	1.11	1.32	18.9%
April	1.41	1.22	1.35	10.7%
May	1.45	1.22	1.32	8.2%
June	1.46	1.21	1.31	8.3%
July	1.49	1.23	1.30	5.7%
August	1.51	1.27	1.29	1.6%
September	1.45	1.24	-	-
October	1.22	1.24	-	-
November	1.19	1.23	-	-
December	1.19	1.26	-	-

Source: National Market Information Service (SNIIM)
-: Not available

Table 11. Mexico: Finished Live Hog Average Monthly Wholesale Prices in Mexico City 2008-2010 (US$/Lb)

Month	2008	2009	2010	% Change 09 to 10
January	0.650	0.671	0.74	10.3%
February	0.623	0.612	0.71	16.0%
March	0.616	0.612	0.73	19.3%
April	0.636	0.673	0.75	11.4%
May	0.702	0.586	0.76	29.7%
June	0.821	0.559	0.80	43.1%
July	0.903	0.646	0.82	26.9%
August	0.868	0.684	0.84	22.8%
September	0.780	0.649	-	-
October	0.630	0.622	-	-
November	0.634	0.614	-	-
December	0.666	0.732	-	-

Source: National Market Information Service (SNIIM)
-: Not available

Table 12. Mexico: Pork Carcass Average Monthly Wholesale Prices in Mexico City 2008-2010 (US$/Lb)

Month	2008	2009	2010	% Change 09 to 10
January	0.925	0.948	0.97	2.3%
February	0.938	0.857	0.97	13.2%
March	0.951	0.856	0.98	14.5%
April	0.949	0.922	1.00	8.5%
May	0.988	0.920	0.98	6.5%
June	0.977	0.850	1.03	21.2%
July	1.220	0.891	1.07	20.1%
August	1.167	0.924	1.07	15.8%
September	1.069	0.862	-	-
October	0.939	0.891	-	-
November	0.901	0.925	-	-
December	0.931	1.006	-	-

Source: National Market Information Service (SNIIM)
N/A: Not available

Table 13. Mexico: Average Monthly Exchange Rate 2007-2010 (pesos per dollar)

	2007	2008	2009	2010

January	10.94	10.91	13.15	12.80
February	10.99	10.76	14.55	12.94
March	11.12	10.73	14.71	12.57
April	10.98	10.51	13.41	12.23
May	10.82	10.44	13.19	12.74
June	10.83	10.33	13.47	12.72
July	10.80	10.24	13.36	12.82
August	11.04	10.10	13.00	12.77
September	11.03	10.61	13.41	-
October	10.83	12.56	13.24	-
November	10.87	13.08	13.12	-
December	10.84	13.40	12.85	-
Annual Avg.	**10.92**	**11.14**	**12.33**	**12.70**
Source: Banco de Mexico				

Author Defined:
Other Relevant Reports

MX0505 Mexico Revises Food Labeling Regulations

MX0059 Poultry and Products, Annual

MX0013 Livestock and products Semi Annual

MX0026 TRQ for Beef and Poultry Products under Mexico-Japan Agreement.pdf

MX0060 September Grain and Feed Update

MX0002 GOM Investigates Monopolistic Practices In Mexican Poultry Sector

MX0053 Import Beef Duties Eliminated

MX0506 Mexico Announces Reliable Importer Program for Meat and Poultry

FAS Mexico Web Site:
We are available at www.mexico-usda.com or visit FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

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Useful Mexican Web Sites:
Mexico's equivalent of the Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx and Mexico's equivalent of the Department of Commerce (SE) can be found at www.se.gob.mx. These web sites are mentioned for the reader's convenience. USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with the information contained on the mentioned sites.